

Filed for intro on 02/06/97  
HOUSE BILL 245 By  
West

SENATE BILL 462  
By Haynes

AN ACT to amend Tennessee Code Annotated, Title 45, relative to  
the check cashing business.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 45, is amended by adding Sections 2  
through 5 of this act as a new, appropriately designated chapter:

SECTION 2. No person shall engage in the business of lending money in exchange for  
a check for a fee or other consideration without having first obtained a license. A separate  
license shall be required for each location from which such business is conducted. Any person  
engaged in the business of lending money in exchange for a check on the effective date of this  
act may continue to engage in the business without a license until the commissioner of financial  
institutions shall have acted upon his application for a license if the application is filed within  
sixty (60) days after the effective date of this act.

SECTION 3. Each license may be issued or renewed for the ensuing twelve (12) month  
period upon application by the person or the license holder showing compliance with the  
requirements of this act and the payment to the department of financial institutions annually on  
or before September 1 of each year a license fee of five hundred dollars (\$500) to issue or  
renew the license.

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#### SECTION 4.

(a) If the department of financial institutions determines that an applicant is not qualified to receive a license, the department shall notify the applicant in writing that the application has been denied, stating the basis for denial.

(b) If the department of financial institutions denies an application, or if the department fails to act on an application within ninety (90) days after its filing, the applicant may make written demand to the department for a hearing before the commissioner of the department on the question of whether the license should be granted.

(c) Any hearing on the denial of a license shall be conducted pursuant to the Uniform Administrative Procedures Act. In any such hearing, the burden of proving that the applicant is entitled to a license shall be on the applicant. Decisions of the commissioner following any hearing on the denial of a license shall be subject to review under the Uniform Administrative Procedures Act.

SECTION 5. The department of financial institutions is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 6. For the purpose of promulgating rules and regulations, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect July 1, 1997.